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## **Study of the effects of Medicare payment changes on oncology services**

**ISSUE:** How have changes in the way Medicare pays for physician-administered drugs and drug administration services affected quality of care and access to services for Medicare beneficiaries receiving chemotherapy?

**KEY POINTS:** The Medicare Prescription Drug, Improvement, and Modernization Act (MMA) changed the way Medicare pays for physician-administered drugs and drug administration services. The Congress directed MedPAC to evaluate the effect of these changes on quality of care, beneficiary access, and physician practices in different areas of the country and different practice sizes. The first report, due January 1, 2006, focuses on services provided by oncologists. The second report, due January 1, 2007, focuses on drug administration services provided by other specialties.

For our report on oncology services, we are conducting a series of studies to analyze the effect of these changes including:

- Medicare claims analysis
- Drug pricing analysis
- Beneficiary focus groups
- Interviews with stakeholders

At this meeting, staff will discuss these studies and how they relate to some of the issues raised by the payment changes.

**ACTION:** We would like Commissioners to discuss what additional information they would need to help them develop and evaluate policy recommendations.

**STAFF CONTACT:** Joan Sokolovsky (202-220-3720)